

ORDER SHEET
THE HIGH COURT OF SINDH AT KARACHI

Suit No. B-79 of 2011.
along with
Suit No. B-39 of 2009

Date: Order with signature(s) of the Judge(s)

Suit No. B-79/2011

For Orders on CMA No.3291/2025.

Suit No. B-39/2009

For Orders on CMA No.3293/2025.

25th September, 2025.

M/s. Rashid Anwer and Yousuf Khalid Anwer advocates for the plaintiff
Mr. Ali Nawaz Khuhawar advocate for defendant No. 2 & 3.
Mr. Waseem Ahmed advocate for defendant No.4 & 5.
Messrs. Faisal Riaz Virk [representative of MCB], Syed Asif Haider
[representative of Askari Bank], Muhammad Zubair [representative of
Askari Bank], Mehtab Khan Abbasi [representative of Bank of Khyber],
Muhammad Irfan Siddiqui [representative of Saudi Pak Bank], Abdul
Quddos [representative of National Bank], Adnan Arain [representative
of Faysal Bank], Ghulam Nabi [representative of Faysal Bank] and
Zahid Saleem [representative of Pak Kuwait Bank] are present in
person.

ORDER

1. This matter was earlier fixed before another bench on 18.09.2025 when Mr. Ali Nawaz Khuhawar advocate filed Vakalatnama for Defendant No.2 and 3 which was taken on record and requested for a short date, hence these cases were fixed for today. Learned counsels for Defendants 2 & 3 and 4 & 5 waive notice, and filed copy of counter affidavit for Defendants 2 & 3 along with its annexures which is taken on record, copy whereof is also supplied to the Plaintiff's counsel.

2. The listed application [CMA No. 3291/2025 in Suit No. B-79/2011] & CMA No.3293/2025 in Suit No.39/2009] are filed under Order XXIII Rule 3 CPC. by the Plaintiffs (Banks) and Defendant No.1 (Company) seeking a

compromise decree to the extent of Defendant No.1 in terms of the said application and the Master Settlement Agreement dated 12.05.2025 (**Agreement**), whereby the said parties have settled their dispute amicably outside the Court and seek a compromise decree.

3.a. Learned counsel for Defendants 2 & 3 draws attention to the Order dated 18.08.2024 passed by Lahore High Court in Companies Original No.43001/2024 [Re. '*Jamal Iftikhar etc. Vs. Dost Steel Limited etc.*'] and to C.M. No.02/2024, which are reproduced below:

“Notice for the said date. Subject to notice and till the next date of hearing. The respondent No.1 (Company) will run its normal course of business, however, will not alienate any fixed and immovable assets of the company”.

To a query by the Court, whether any fixed and immovable asset of the company is being alienated in the present compromise application, the response from the learned counsel was in Negative.

3.b. He then pointed out at the Order passed by Lahore High Court in C.O. No.55984/2024, operative part whereof is reproduced as under:

“Notice. Subject to notice, the impugned election for Board of Directors will continue, however, shall remain subject to the final outcome of this petition”.

On Court query, learned counsel candidly admits that the said order was only with respect to Election of Board of Directors, as was challenged in the said Companies Original and not with respect to the instant proceedings.

3.c. Lastly, he drew attention to Clause 2.3.b of the Master Settlement Agreement in the compromise application [page 393 of Court File] and states that according to defendants 2 & 3, their earlier guarantees stood discharged the moment this Master Settlement Agreement was executed by the Banks. Learned counsel for Defendants 2 & 3 has no objection to the grant of the compromise decree application in hand if it is allowed without prejudice to the rights of said defendants to agitate their plea *qua* discharge of their earlier guarantees and the said defendants may avail their remedies in accordance with law in the said Companies Originals. To this, learned counsel for the

Plaintiffs has no objection. Mr. Waseem Ahmed advocate also submits that Defendants 4 & 5 also have no objection to the grant of the compromise decree application in hand, if it is allowed without prejudice to the rights of the said Defendants to agitate their factual and legal arguments at the time of hearing of their respective Leave-to-defend application. To this also, learned counsel for the Plaintiffs has no objection.

4. In view of the above consensus, the compromise applications are taken up. Parties viz. Plaintiffs' Attorney and Attorney of Defendants No.1 are present in Court and admit, acknowledge and verify the contents of the listed application as well as their respective affidavit sworn in support thereof. The compromise application which is jointly filed by the Plaintiffs and Defendant No.1, and is also duly signed by the parties and their respective counsel, is therefore allowed, and the suit is hereby decreed by consent against Defendant No.1 on the terms mentioned in the listed compromise applications **[CMA No. 3291/2025 in Suit No. B-79/2011 and CMA No.3293/2025 in Suit No.39/2009]**. Office is directed to prepare Decree in both the subject Suits in terms of the Master Settlement Agreement dated 12.05.2025. Office is also directed to place a signed copy of this order in the connected Suit. With respect to the hearing of Leave-to-defend applications filed by the Defendants 2 to 5, the matter shall remain *sine die* in terms of Clause 3 of the Agreement. The applications are allowed in the above terms, and the Suits are adjourned *sine die*.

J U D G E